

## FACTSHEET

### Motor Vehicles in California

There are approximately 33 million vehicles registered in California. This includes:

- 23.8 million passenger vehicles
- 5 million pick-up trucks
- 862,000 motorcycles
- 2.5 million trailers and trailer coaches
- 466,000 heavy-duty commercial vehicles
- 570,000 vehicles exempt from registration fees

These vehicle totals include approximately 838,000 hybrid vehicles and about 123,000 alternatively fueled vehicles, the majority of which are purely electric vehicles (72,000).

**Vehicle Registration:** A motor vehicle must be registered and annually re-registered with the California Department of Motor Vehicles (DMV) so that it can be legally operated on public streets and highways. To register a vehicle, the registered owner must submit proof of insurance, pay registration and other fees, and, when required, provide proof that the vehicle passed a smog check inspection. Smog checks are typically required every other year for motor vehicles that are at least six years old.

**Registration Fee:** State law establishes a basic vehicle registration fee of \$46, plus a \$24 surcharge for additional personnel for the California Highway Patrol, for the new or renewal registration of most vehicles. State law also authorizes local agencies to impose separate vehicle registration fee surcharges in their respective jurisdictions for a variety of special programs, including \$1-\$6 to deter vehicle theft, \$1 or \$3 to abate abandoned vehicles, \$1-\$3 for freeway call boxes, \$1-\$6 fingerprint fee, and a County Transportation Project Fee of \$10. Fees ranging from \$2 to \$19 may also be assessed to pay for local air quality programs.

**Vehicle License Fee (VLF):** Existing law also imposes a VLF, which is in lieu of a personal property tax on all California motor vehicles, at a rate of 0.65% of the assessed value of the vehicle. The taxable value of a vehicle is established by the purchase price of the vehicle, depreciated over an 11-year depreciation schedule according to a statutory schedule.

**License Plates:** The first time a vehicle is registered, DMV issues a license plate to the vehicle. Regular-issue license plates remain on the vehicle for the life of the vehicle and through ownership changes, unless the owner has acquired special-interest license plates, which may be transferred to another vehicle. License plates are only replaced if lost, stolen, or damaged to the extent that they are not readable. Except in cases involving a personalized configuration, the vehicle is assigned a new license plate number when license plates are replaced.

**Vehicle Titles:** The vehicle title (or “pink slip”) is the certificate of ownership, and a new title is issued each time the registered or legal owner of a vehicle changes. Each year DMV issues more than 6.9 million vehicle titles; about 30% of these are for new vehicles and about 70% are for used vehicles. Also, more than 500,000 vehicles are brought in annually from out of state and issued California titles. An increasing number of titles are being issued electronically through what is called the Electronic Lien

and Title (ELT) Program. In these cases, a title record is held electronically by a financial institution; a paper title is not issued.

October 2015